APPENDIX A

APPENDIX A: Personnel Contacted
APPENDIX B: Campus Response
APPENDIX C: Chancellor’s Acceptance

ABBREVIATIONS

CMS Common Management Systems
CSU California State University
EO Executive Order
FERPA Family Educational Rights and Privacy Act of 1974 (As Amended)
I Grade Incompletes
RD Grade Report Delayed
SRR Student Records and Registration
W Grade Withdrawals
EXECUTIVE SUMMARY

As a result of a systemwide risk assessment conducted by the Office of the University Auditor during the last quarter of 2005, the Board of Trustees, at its January 2008 meeting, directed that Student Records and Registration (SRR) be reviewed. SRR was last audited in 1999.

We visited the Sonoma State University campus from September 29, 2008, through November 7, 2008, and audited the procedures in effect at that time.

Our study and evaluation did not reveal any significant internal control problems or weaknesses that would be considered pervasive in their effects on SRR controls. However, we did identify other reportable weaknesses that are described in the executive summary and body of this report, as well as certain control concerns imbedded in the Oracle/PeopleSoft Common Management Systems (CMS) application for student administration that are omitted and deferred for systemwide reporting. In our opinion, the operational and administrative controls of SRR in effect as of November 7, 2008, taken as a whole, were sufficient to meet the objectives stated below.

As a result of changing conditions and the degree of compliance with procedures, the effectiveness of controls changes over time. Specific limitations that may hinder the effectiveness of an otherwise adequate system of controls include, but are not limited to, resource constraints, faulty judgments, unintentional errors, circumvention by collusion, and management overrides. Establishing controls that would prevent all these limitations would not be cost-effective; moreover, an audit may not always detect these limitations.

The following summary provides management with an overview of conditions requiring attention. Areas of review not mentioned in this section were found to be satisfactory. Numbers in brackets [ ] refer to page numbers in the report.

GRADING/RECORD ACCURACY AND INTEGRITY [5]

Non-essential personnel had the capability to change grades in the Oracle/PeopleSoft CMS application for student administration. Term/university withdrawals after census date and incompletes were not adequately reviewed and/or documented. Grade appeal activity was last reported to the campus faculty senate and president on July 11, 2007, for academic year 2006/07, and not annually as required.

SECURITY OF STUDENT RECORDS [8]

Campus procedures did not provide for biennial review and reporting of information management practices concerning student records. In addition, the campus lacked a business continuity plan that was specific to admissions and records.
INTRODUCTION

BACKGROUND

In recent years, the systems used for student records and registration in the California State University (CSU) have changed to accommodate implementation of Common Management Systems (CMS) and the suite of software from Oracle/PeopleSoft. One CMS application is Campus Solutions. The CSU implementation of Campus Solutions includes the following modules: Academic Advisement, Admissions, Campus Community, Financial Aid, Student Financials, and Student Records.

At the time of the audit, two CSU campuses (San Diego and San Francisco) were using a non-CMS legacy system for student records. This system is Student Information Management System/Relational.

The Family Educational Rights and Privacy Act (FERPA) of 1974, which, as amended, governs the confidentiality and privacy of student educational records. FERPA covers all institutions that receive funding of any kind administered by the U.S. Department of Education including for example, federal student financial aid programs. Educational records are those records that are directly related to a student. Per 34 CFR 99.3 (Code of Federal Regulations), records are directly related if they are either personally identifiable or easily traceable to the student. FERPA divides student records into two distinct categories: directory information and non-directory or confidential information. Directory information is information contained in the educational records of a student that would not generally be considered harmful or an invasion of privacy if disclosed. FERPA covers records generated and held by many different campus offices including official academic records held by campus registrars. Generally, school officials with a legitimate educational interest can access student educational records otherwise disclosure or release of information is protected and institutions which do not comply with FERPA can have federal funding withheld.

The Office of the University Auditor last reviewed student records in 1999 and found that systemwide policies pertaining to incomplete grading, the withdrawal process, the approval of grading symbols, and other applicable areas were outdated and needed updating to provide clear guidance and direction to the campuses. In November 2001, the chancellor’s office published Executive Order 792, Grading Symbols, Assignment of Grades, and Grade Appeals that established administrative grading symbols, minimum standards governing the assignment of grades, and provisions for appeal to ensure that the rights and responsibilities of faculty and students were properly recognized and protected. At the campuses, the registrar is typically the office responsible for registration and student records. At Sonoma State University, the registrar is part of enrollment services and reports to the acting vice president of student affairs and enrollment management.
INTRODUCTION

PURPOSE

The overall audit objective was to ascertain the effectiveness of existing policies and procedures related to the administration of *Student Records and Registration*.

Within the overall audit objective, specific goals included determining whether:

- Accountability for the registration and student records functions has been clearly defined and documented including delineation of roles and responsibilities, provisions for formulation of goals/objectives, and measurement of outcomes.

- Registration/student records’ calendars, policies and procedures, and standard forms are current and comprehensive; and aligned with relevant federal and state laws/regulations and CSU directives.

- The registration process/system is equitable with advance registration priorities consistent with campus needs and minimization of opportunities for favoritism.

- The risks of registering ineligible students or students who later result in excessive disenrollments are reasonably mitigated in the registration process/system.

- Instructors of record are integrally involved in assigning grades and processing grade changes.

- Students have a reasonable opportunity to appeal arbitrary and capricious grades.

- Grades are changed only in accordance with campus authorizations.

- Excessive use of Report Delayed (RD) grades or RD grades not replaced as soon as possible adversely affects the accuracy of student records.

- Inadequately documented Incomplete (I) grades or I grades not converted within established time limits adversely affects the accuracy and integrity of student records.

- Withdrawals (W) grades after census date or in the last 20 percent of instruction without adequate justification adversely affect the accuracy and integrity of student records.

- The campus has adopted written FERPA policies and biennially reviews information management practices for student records.

- Access to automated systems is controlled and limited to authorized users; data backup procedures are in place; and physical security over system hardware is adequate.

- Dissemination of protected information from student records is adequately controlled.

- The campus has adequate measures to protect student records from destruction/loss and control the shredding of confidential source documents.
SCOPE AND METHODOLOGY

The proposed scope of audit, as presented in Attachment B, Agenda Item 2 of the January 22-23, 2008, meeting of the Committee on Audit, stated that *Student Records and Registration* includes review of database recordkeeping and registration systems, procedures for creating and changing records, and security measures protecting against unauthorized or inadvertent modification, removal, or destruction of records.

Our study and evaluation were conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors, and included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. This review emphasized, but was not limited to, compliance with state and federal laws, Board of Trustee policies, and Office of the Chancellor and campus policies, letters, and directives. The audit review focused on procedures in effect from July 1, 2007, through June 30, 2008.

Specifically, we reviewed and tested:

- Application of registration priorities.
- Use of registration holds.
- Assignment of grades including various grading symbols such as RD and I.
- Disenrollments and extent of student withdrawals.
- Grade change authorizations.
- Grade appeal processes.
- FERPA policies and procedures.
- Limitations on access to student records.
- Disclosure of student records.
- Issuance of transcripts.
- Business continuity planning for student records.
OBSERVATIONS, RECOMMENDATIONS, AND CAMPUS RESPONSES

GRADING/RECORD ACCURACY AND INTEGRITY

GRADE CHANGES

Non-essential personnel had the capability to change grades in the Oracle/PeopleSoft Common Management Systems (CMS) application for student administration.

Based on inquiries and tests performed, there were 11 staff members who were authorized to enter grade changes versus 53 users who also had this authority based on navigational access and row level security in the CMS application for student administration.

Government Code §13402 and §13403 require a system or systems of internal accounting and administrative controls so that reasonable assurances can be given that measures adopted by state agency heads to safeguard assets, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies are being followed.

The CMS security administrator stated that many of the users who had access to change grades required this level of authorization during the system implementation and they had not yet scaled back their security.

Not maintaining an effective overall campus control system for grade changes results in unacceptable risk exposures and potential inaccuracies in student records.

Recommendation 1

We recommend that the campus reduce the number of users authorized to change grades to essential personnel only.

Campus Response

We agree. The CMS security officer, working with the student records functional lead and university registrar, reviewed the enrollment security setup and identified all employees that needed to have uninterrupted access to grade changes. Access has been updated via the enrollment security table and properly assigned. Only employees with the enrollment security access of "ALL" and "XALL" have access to change grades.

Corrective action has been completed.
WITHDRAWALS

The campus had not adequately documented and reviewed term/university withdrawals after census date.

Campus policy number 2004-3, *Withdrawal from Courses*, dated December 15, 2004, allows a student to withdraw completely from the semester for any reason by filling out a total withdrawal form. We noted that the form included a space to provide the reason for the withdrawal; however, there was no requirement that the reason be serious and compelling nor was there a space to document the signature and date of who reviewed/approved the withdrawal.

Executive Order (EO) 792, *Grading Symbols, Assignment of Grades, and Grade Appeals*, dated November 12, 2001, distinguishes between a) withdrawals after census and prior to the last 20 percent of instruction and b) withdrawals during the last 20 percent of instruction. In the former, there is a requirement to document a serious and compelling reason and secure a minimum of two approvals – the instructor and the department chair and/or dean. In the latter, a more restrictive cause that is clearly beyond the student’s control is required for the withdrawal. An academic administrator appointed by the president to act in such matters must also approve requests in the last 20 percent of instruction.

The university registrar stated that the current process for university withdrawals might have resulted from an improper interpretation of systemwide policy.

Lack of adequate documentation and review could unreasonably subject students to inconsistent policy interpretation and result in late withdrawals without appropriate justification.

**Recommendation 2**

We recommend that the campus modify the term/university withdrawal form to include documentation of a serious and compelling reason for applicable withdrawals and evidence of proper approvals.

**Campus Response**

We concur. The university registrar reviewed the current withdrawal form in connection with the policies of EO 1937; modifications have been made to include the necessity to demonstrate and document serious and compelling reasons (such as medical documentation, change in work hours documented by employer, etc.). The student must include the reason(s) for his/her withdrawal, and the student's advisor and department chair must endorse the student’s request.

Corrective action has been completed.
INCOMPLETES

The campus did not adequately document incomplete grades.

Specifically, we identified contracts for incomplete grades that were not signed by the student or were missing due date extensions, and some contracts that were missing or never prepared.

EO 792, Grading Symbols, Assignment of Grades, and Grade Appeals, dated November 12, 2001, states that the conditions for removal of the incomplete shall be reduced to writing by the instructor and given to the student with a copy placed on file with the appropriate campus officer until the incomplete is removed or the time limit for removal has passed.

The associate vice provost of academic programs and graduate studies stated that the ability of campus academic departments to validate that instructors had prepared written incomplete agreements had changed with the implementation of the self-service grading options in the CMS application for student administration.

Existence of incompletes without adequate documentation exposes the campus to misunderstandings on the validity of the grading process.

Recommendation 3

We recommend that the campus develop a system to ensure appropriate documentation of incomplete grades.

Campus Response

We concur. The office of academic affairs has created a Request for Incomplete form to be used by all faculty/instructors at the time of issuance of a grade of "I". The Request for Incomplete form includes the policy of the assignment of an incomplete as outlined in EO 1037. The completed form is filed with the respective academic department.

Following the end of each grading period (January, August, and June), the registrar will send (via e-mail) a list of all incomplete grades for said term to the administrative coordinators. The administrative coordinators will work with their instructors/faculty to ensure each incomplete grade issued has a supporting Request for Incomplete form on file.

Corrective action has been completed.
GRADE APPEALS

Grade appeal activity was last reported to the campus faculty senate and president on July 11, 2007, for academic year 2006/07, and not annually as required.

EO 792, Grading Symbols, Assignment of Grades, and Grade Appeals, dated November 12, 2001, requires the campus to establish policies and procedures on grade appeals that provide for annual reporting to the president and faculty senate on the number of grade appeal cases and the disposition of cases heard.

The academic senate analyst stated that the change in policy and realignment of committee responsibilities delayed the academic year 2007/08 report.

Lack of appropriate grade appeal reporting could jeopardize protection of students against arbitrary and capricious grading and perpetuate an ineffective process.

After receiving the audit request and during the audit visit, the campus developed a grade appeal report for the current academic year (2007/08) dated October 31, 2008.

SECURITY OF STUDENT RECORDS

STUDENT INFORMATION MANAGEMENT

Campus procedures did not provide for biennial review and reporting of information management practices concerning student records.

EO 796, Privacy and Personal Information Management Student Record Administration, dated January 1, 2002, states that each campus shall adopt a written policy statement establishing procedures by which the campus intends to comply with the federal Family Educational Rights and Privacy Act of 1974 and this executive order. These procedures shall include a requirement to periodically review campus information management practices concerning student records at least every two years or more often as the need arises. The results of these reviews shall be forwarded to the chancellor by the president and shall include any changes deemed necessary.

The university registrar stated that completion of the EO 796 review was an oversight.

Failure to periodically review information management practices increases the risk of regulatory violations and liability lawsuits and may result in negative publicity in the event of a privacy complaint.

Recommendation 4

We recommend that the campus establish procedures to periodically review information management practices concerning student records and report the results to the chancellor.
Campus Response

We concur. The university registrar has developed a procedure to report on the student information management practices to the president as per EO 796. This report includes links to all websites and publications that describe the practices and security of student records approved by the vice president of student affairs and enrollment services.

Corrective action has been completed.

BUSINESS CONTINUITY

The campus lacked a business continuity plan that was specific to admissions and records.

At present, the campus had only a 2007 emergency plan developed and maintained by police and parking services.

EO 1014, *California State University Business Continuity Program*, dated October 8, 2007, states that each business unit that is determined by the university to provide essential functions shall develop a business continuity plan that reflects sufficient forethought and detail to ensure a high probability of successful maintenance or restoration of essential functions following an unfavorable event.

International Standards Organization standard 14.1 states that a business continuity management process should integrate information technology with other factors such as operations, staffing, materials, transport, and facilities.

The university registrar stated that the office of the registrar had not been directed to develop a business continuity plan.

Inadequate business continuity planning and testing increases the risk of ineffective preparedness and loss of essential services.

Recommendation 5

We recommend that the campus develop and maintain a comprehensive business continuity plan specific to admission and records.

Campus Response

We concur. The university registrar will develop a business continuity plan for the registrar's office, which will be submitted to the vice president of student affairs and enrollment services for endorsement.

Expected completion date: May 1, 2009
# APPENDIX A:
## PERSONNEL CONTACTED

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tbody>
<tr>
<td>Ruben Armiñana</td>
<td>President</td>
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<tr>
<td>Leo Alvillar</td>
<td>Student Administration System Coordinator, Common Management Systems (CMS)</td>
</tr>
<tr>
<td>Bruce Boyer</td>
<td>Associate Director, Disabled Student Services</td>
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<tr>
<td>L. Rose Bruce</td>
<td>Associate Vice President, Institutional Research</td>
</tr>
<tr>
<td>Letitia Coate</td>
<td>Controller</td>
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<tr>
<td>Peter Flores</td>
<td>CMS Security Administrator</td>
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<tr>
<td>Laurence Furukawa-Schlereth</td>
<td>Vice President, Administration and Finance and Chief Financial Officer</td>
</tr>
<tr>
<td>Susan Gutierrez</td>
<td>Director of Financial Aid</td>
</tr>
<tr>
<td>Laurel Holmstrom</td>
<td>Academic Senate Analyst</td>
</tr>
<tr>
<td>Sean Johnson</td>
<td>Assistant Registrar</td>
</tr>
<tr>
<td>Kurt Koehle</td>
<td>Director, Internal Operations Analysis and Review</td>
</tr>
<tr>
<td>Matthew Lopez-Phillips</td>
<td>Acting Vice President, Student Affairs and Enrollment Management</td>
</tr>
<tr>
<td>Richard Ludmerer</td>
<td>Senior Director for Risk Management</td>
</tr>
<tr>
<td>Lisa Noto</td>
<td>University Registrar</td>
</tr>
<tr>
<td>Gloria Ogg</td>
<td>Senior Director for University Business Services</td>
</tr>
<tr>
<td>Paul Santini</td>
<td>Deputy Controller, Student Finance</td>
</tr>
<tr>
<td>Elaine Sundberg</td>
<td>Associate Vice Provost, Academic Programs and Graduate Studies</td>
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<tr>
<td>Jason Wenrick</td>
<td>Senior Director, CMS</td>
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</tbody>
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March 20, 2009

MEMORANDUM

TO: Larry Mandel  
University Auditor  
California State University  
401 Golden Shore, 4th Floor  
Long Beach, California 90802-4200

FROM: Laurence Furukawa-Schlectch  
Chief Financial Officer and  
Vice President for Administration and Finance

SUBJECT: Campus Response to Recommendations of Audit Report #08-41, Student Records and Registration Report

On behalf of President Armiñana, I am submitting the initial campus response to the recommendations of Audit Report 08-41, Student Records and Registration at Sonoma State University.

The response will also be forwarded to your staff electronically.

We have taken steps to implement the recommendations, and will provide documentation to demonstrate completion of corrective actions for each recommendation.

Enclosures

c: President Ruben Armiñana  
Eduardo Ochoa, Provost and Vice President for Academic Affairs  
Matthew Lopez-Phillips, Acting Vice President, Student Affairs and Enrollment Management  
Elaine Sundberg, Associate Vice Provost, Academic Programs and Graduate Studies  
Jason Wenrick, Sr. Director, Common Management Systems (CMS)  
Lisa Noto, University Registrar  
Peter Flores, Common Management Systems (CMS) Security Administrator  
Kurt Koehle, Director of Internal Operations & Analysis
STUDENT RECORDS AND REGISTRATION
SONOMA STATE UNIVERSITY
Audit Report 08-41

GRADING/RECORD ACCURACY AND INTEGRITY

GRADE CHANGES

Recommendation 1

We recommend that the campus reduce the number of users authorized to change grades to essential personnel only.

Campus Response

We agree. The CMS Security Officer, working with the Student Records Functional Lead and University Registrar, reviewed the enrollment security setup and identified all employees that needed to have uninterrupted access to grade changes. Access has been updated via the Enrollment Security table and properly assigned. Only employees with the enrollment security access of ‘ALL’ and ‘XALL’ have access to change grades.

Corrective Action has been completed.

WITHDRAWALS

Recommendation 2

We recommend that the campus modify the term/university withdrawal form to include documentation of a serious and compelling reason for applicable withdrawals and evidence of proper approvals.

Campus Response

We concur. The University Registrar reviewed the current withdrawal form in connection with the policies of EO 1937; modifications have been made to include the necessity to demonstrate and document serious and compelling reasons (such as medical documentation, change in work hours documented by employer, etc.). The student must include the reason(s) for his/her withdrawal and the student's advisor and department chair must endorse the student's request.

Corrective Action has been completed.
INCOMPLETES

Recommendation 3

We recommend that the campus develop a system to ensure appropriate documentation of incomplete grades.

Campus Response

We concur. The Office of Academic Affairs has created a Request for Incomplete form to be used by all faculty/instructors at the time of issuance of a grade of "I". The Incomplete form includes the policy of the assignment of an incomplete as outlined in EO1037. The completed form is filed with the respective academic department.

Following the end of each grading period (January, August and June), the Registrar will send (via e-mail) a list of all incomplete grades for said term to the Administrative Coordinators. The Administrative Coordinators will work with their instructors/faculty to ensure each incomplete grade issued has a supporting Incomplete form on file.

Corrective Action has been completed.

SECURITY OF STUDENT RECORDS

STUDENT INFORMATION MANAGEMENT

Recommendation 4

We recommend that the campus establish procedures to periodically review information management practices concerning student records and report the results to the chancellor.

Campus Response

We concur. The University Registrar has developed a procedure to report on the Student Information Management practices to the President as per EO796. This report includes links to all websites and publications that describe the practices and security of student records approved by the Vice President of Student Affairs and Enrollment Services.

Corrective Action has been completed.
BUSINESS CONTINUITY

Recommendation 5

We recommend that the campus develop and maintain a comprehensive business continuity plan specific to admission and records.

Campus Response

We concur. The University Registrar will develop a Business Continuity Plan for the Registrar's Office, which will be submitted to the Vice President of Student Affairs and Enrollment Services for endorsement.

Expected Completion Date: May 1, 2009
May 4, 2009

MEMORANDUM

TO: Mr. Larry Mandel
University Auditor

FROM: Charles B. Reed
Chancellor

SUBJECT: Draft Final Report 08-41 on Student Records and Registration, Sonoma State University

In response to your memorandum of May 4, 2009, I accept the response as submitted with the draft final report on Student Records and Registration, Sonoma State University.

CBR/amd

Enclosure

c: Dr. Ruben Armiñana, President
Mr. Laurence Furukawa-Schlereth,
Vice President, Administration and Finance/Chief Financial Officer